EMPLOYMENT AGREEMENT

THIS AGREEMENT ("Agreement") is made and entered into by and between AUBURN UNIVERSITY ("Auburn") and STEVEN LEATH ("Leath").

WHEREAS, the parties hereto acknowledge that Leath is offered the position of PRESIDENT OF AUBURN UNIVERSITY ("President") on the terms set forth in this Agreement; and

WHEREAS, Leath accepts the position of President; and

WHEREAS, Leath's years of experience and tenure in senior administrative positions at other major higher education institutions and his background, talents, and abilities uniquely qualify him to hold this position; and

WHEREAS, in establishing Leath's compensation, the BOARD OF TRUSTEES (the "Board") has taken into account numerous factors, including, but not limited to, (1) the compensation of presidents of other flagship universities; (2) the multiple duties of leading two campuses being undertaken by Leath; (3) Leath's qualifications, talents, abilities, and experience; and (4) the need to offer competitive remuneration to attract an individual such as Leath who is currently successfully employed in a high position at another university of significant size and national standing.

NOW, THEREFORE, for and in consideration of the mutual benefits and consideration received and to be received by the respective parties, Leath is employed as President upon the following terms, conditions, covenants, and agreements:

I. EMPLOYMENT AND APPOINTMENTS

Leath's employment with Auburn and the appointment as President shall be effective as of the beginning of the term of this Agreement.

II. TERM OF AGREEMENT

The term of this Agreement shall begin on the date Leath commences to discharge the duties of President on a full-time basis, which date shall be no later than July 16, 2017, and such term shall continue for a period of five (5) years until July 15, 2022, subject to earlier termination as provided in Section VIII hereunder.

III. SALARY

Leath shall be remunerated for services rendered as President based on an annual base rate of salary of Six Hundred Twenty Five Thousand Dollars ($625,000) per year, payable in accordance with Auburn's established pay practices. The Board will review Leath's performance and overall compensation at least annually, commencing on or before the anniversary date of the effective date of this Agreement and every anniversary date thereafter during the term of this Agreement, with any adjustments to Leath's salary and benefits to be within the sole discretion of the Board, and at Leath's request shall be commensurate with faculty/ staff increases. Further, the Board will consider adjustments to faculty/ staff salaries when determining any adjustments to Leath's salary.

IV. PERFORMANCE

Leath shall oversee and administer the affairs of Auburn as best serves Auburn, consistent with Board policy and applicable law. Leath agrees to devote his full time and attention and use his full experience, talents, and best efforts to perform the duties assigned to him as President by the Board, by this Agreement, or by law. Leath may, with prior written consent of the Board, participate as a member of board(s) of directors and expend reasonable time on charitable and professional activities; provided that the same does not interfere with his conduct and performance of duties as President.

V. RESIDENCE

It is the policy of Auburn to require, as a condition of employment and for the convenience of Auburn, that the President live in the PRESIDENT'S HOME at 430 SOUTH COLLEGE STREET, AUBURN, ALABAMA ("Residence") to enable the President to properly perform the duties of employment and to serve the best interests of Auburn. This requirement results from the nature of Auburn's business and the need for the President to accommodate, as he so determines, student and staff meetings, Auburn events, and other official functions at the Residence in the performance of his duties. In Leath's sole discretion, he may, but shall be under no obligation to, host at the Residence non-Auburn events that Leath considers appropriate to Auburn's civic or community relevance missions. Auburn shall provide adequate clerical and custodial staff to Leath for these purposes and shall provide insurance, housekeeping, utilities, maintenance, and repair on the Residence. Upon termination of this Agreement, Leath agrees to immediately vacate the Residence. The family of Leath has ninety (90) days to vacate the residence, if Leath dies or becomes incapacitated while in office. Although unlikely, if it should happen that the IRS or the State of Alabama should determine that providing housing is a taxable event, Auburn will reimburse Leath for any taxes imposed.

The PRESIDENT'S HOME will be under renovation at the time Leath assumes office. Until that renovation is complete, Auburn will provide Leath other housing.

VI. BENEFITS

1. Employee Benefits Generally. Leath shall be entitled to participate in all benefits programs customarily available to employees of Auburn, in accordance with applicable state and federal laws and Auburn's rules and regulations governing such programs.

2. Supplemental Deferred Retirement Provisions. As an incentive for Leath to remain at Auburn for the full five year term of this Agreement, during only the first three years of this Agreement, payments aggregating $250,000 shall be paid annually on Leath's behalf, pursuant to a supplemental deferred retirement program. That plan is organized under IRS Code 457(f), and the payments herein are subject to forfeiture, pursuant to IRS rules if Leath does not complete the full five year term of this Agreement.

The supplemental deferred retirement program referenced above shall also be initially funded in the amount of $500,000 in order to offset the loss of funds he would have received under his prior contract if he had completed the full term of the contract with his previous employer. This payment is also subject to forfeiture, pursuant to IRS rules, if Leath does not complete the full five year term of this Agreement.

3. Automobile. In order to properly discharge his duties, Leath shall be provided an automobile allowance of five (5) percent of Leath's annual base salary. Leath will be responsible for gas, service, maintenance and insurance.

4. General Expenses. Auburn shall allocate sufficient funds for Leath's office and for salaries for personnel required to staff such office, travel, entertainment expenses, relocation costs to Auburn, and other official activities.

5. Moving Expenses. Auburn shall reimburse Leath for moving expenses consistent with Auburn policy. Such reimbursement shall include moving expenses associated both with moving to the temporary housing and subsequently into the PRESIDENT'S HOME as required in Section V.

6. Membership Expenses. Leath will be provided a membership to the Auburn University Club consistent with the terms of the Agreement between Auburn and the Auburn University Club.

7. Life Insurance. In addition to the standard Auburn employee life insurance benefit, Auburn agrees to pay the premium for Leath to purchase the optional $450,000 employee life insurance benefit available under Auburn's life insurance program.

VII. Tenure

Subject to normal academic review and approval procedures, the Board shall appoint Leath as a tenured faculty member at Auburn University. Leath shall be considered a tenured

faculty member in accordance with existing policies and procedures established for such appointments. Leath shall be eligible for one (1) year of paid leave assignment, commencing at the end of the term of this Agreement, in order to prepare to assume faculty duties, at the academic rate, subject to repayment for failure to assume such faculty position for at least a one-year period of service following such leave assignment. Notwithstanding the foregoing, Leath shall not be eligible for such one-year paid leave assignment if he resigns his position as President prior to the end of the five-year term of this Agreement or if his employment under this Agreement is terminated, pursuant to the provisions of Section VIII(2).

VIII. TERMINATION

1. Disability, Death, or Resignation. If, during the term of this Agreement, Leath becomes disabled to the extent he is unable to perform the duties of President by reason of illness or incapacity, dies, or resigns his employment, no further compensation or benefits shall be due under this Agreement; provided, however, that the provisions of the last paragraph of this Section VIII shall apply to any such termination. In the event Leath resigns his employment, Leath shall not incur any penalty or owe any damages to Auburn as a result of any claim of breach of this Agreement.

2. Termination by Auburn for Cause. The Board may terminate Leath for cause immediately after giving Leath notice and an opportunity to be heard with respect to the grounds for cause. Cause is defined as (i) commission of a felony that materially impairs Leath's ability to discharge his duties hereunder, (ii) commission of a misdemeanor involving moral turpitude that materially impairs Leath's ability to discharge his duties hereunder, (iii) fraud, (iv) embezzlement, (v) theft, (vi) engaging in conduct that displays a continual or serious disrespect or disregard for Auburn, or causes notorious and public scandal, or (vii) prolonged absence from Auburn without its consent. Upon termination of Leath, no further compensation or benefits shall be due under this Agreement; provided, however, that the provisions of the last paragraph of this Section VIII shall apply to any such termination.

3. Termination by Auburn Without Cause. Auburn may terminate this Agreement without cause at any time by giving written notice to Leath. In such event, Leath shall be entitled to receive for the remainder of the five-year term of this Agreement his base salary, as set forth in Section III and as in effect immediately prior to such termination; provided, however, that Auburn's obligations to make payments, as described above, shall be reduced to the extent of Leath's compensation from new employment after such termination and during the remainder of the five-year term of this Agreement. Such reduction shall include amounts received by Leath by reason of his taking a one-year paid leave assignment and / or assuming faculty status as provided in Section VII. In addition to the foregoing, in the event of such termination, Leath shall also be entitled to continue his participation in Auburn's retirement program; health, dental, and life insurance; and accidental death and disability programs for the remainder of the five-year term of this Agreement as if his employment had not been terminated; provided that if such participation is prohibited by the terms of such programs or by applicable law, Auburn shall reimburse Leath for the reasonable cost of obtaining comparable benefits; and provided, further, that Auburn's obligations under this sentence shall be reduced or eliminated to the extent

Leath takes on new employment which provides for any such benefits; and provided, finally, that the provisions of the last paragraph of this Section VIII shall apply to any such termination.

Termination of this Agreement under any of the foregoing paragraphs shall not affect any retirement, deferred compensation, welfare (including but not limited to medical, death, and disability programs), or any other benefits accrued as of the date of such termination under any program or plan established and maintained by Auburn for which Leath qualifies or in which Leath participates, all of which shall be governed by their respective terms.

IX. MISCELLANEOUS

1. General. This Agreement is the complete agreement between Leath and Auburn concerning the employment of Leath by Auburn and the appointment of Leath as President, and shall, as of the effective date hereof, supersede all other agreements, oral or written between the parties. The parties stipulate that neither of them has made any representation to the other with respect to the subject matter of this Agreement, except such representations as are specifically set forth herein. No modification of this Agreement or any part thereof shall be valid unless in writing and signed by both Leath and Auburn. If any provision of this Agreement shall be determined to be void, invalid, or unenforceable or illegal for any reason, it shall be ineffective only to the extent of such prohibition, and the validity and enforceability of all the remaining provisions shall not be affected. Any notice required or permitted to be given under this Agreement shall be sufficient if in writing and sent by registered mail to his residence address, in the case of Leath, or to its principal office, in the case of Auburn, addressed to the attention of the President Pro Tempore of the Board. The rights and obligations of Auburn under this Agreement shall inure to the benefits of and be binding upon successors and assigns of Auburn. Leath cannot assign any of his rights or obligations under this Agreement. This Agreement is intended to fully comply with all applicable state and federal laws, and any provision to the contrary shall be null and void. This Agreement is also intended to comply with Auburn's policies and unless this Agreement specifically provides to the contrary, Auburn's policies are applicable and controlling. This Agreement shall be construed as a contract in accordance with the laws of the State of Alabama.

2. Tax Liability. Except as otherwise expressly provided herein, Leath shall be responsible for any and all income tax liabilities incurred as a result of the compensation, benefits, and perquisites provided under this Agreement, regardless of the status of any tax laws at the time this Agreement is made.

3. Enforcement. The payments and benefits provided in Section VIII (or cessation thereof) have been carefully considered and agreed upon by Auburn and Leath and represent the sole obligations of Auburn resulting from Leath's termination under the circumstances defined therein, exclusive of any other remedy whatsoever. If a dispute arises out of or related to this Agreement and the dispute cannot be settled through direct discussions, Auburn and Leath agree that they shall first endeavor to settle the dispute in an amicable fashion, including the use of a non-binding mediator applying the Employment Mediation Procedures of the American Arbitration Association.

SIGNED AND EXECUTED in duplicate originals as indicated below, but effective as provided herein.

Steven Leath

Date: March 20, 2017

AUBURN UNIVERSITY

By: Charles D McCrary
Charles McCrary
President Pro Tempore

Date: 3.20.17

2017 PRESIDENT'S DEFERRED COMPENSATION PLAN

BY AND BETWEEN

AUBURN UNIVERSITY

AND

STEVEN LEATH

Effective Date: June 19 2017

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2017 PRESIDENT'S DEFERRED COMPENSATION PLAN

THIS 2017 PRESIDENT'S DEFERRED COMPENSATION PLAN ("Plan") is made and entered into by and between AUBURN UNIVERSITY ("Auburn") and STEVEN LEATH ("Leath").

WHEREAS, the parties hereto entered into that certain Employment Agreement effective on or about July 16, 2017 ("Employment Agreement"); and

WHEREAS, the Employment Agreement is for the period of about five (5) years from June 19, 2017 to July 15, 2022; and

WHEREAS, Section VI.2. BENEFITS of the Employment Agreement requires Auburn to organize a deferred retirement program under IRS Code Section 457(f) for the benefit of Leath; and

WHEREAS, the parties agree that the terms and conditions set forth herein constitute Auburn's organization of the Plan which is an ineligible plan of deferred compensation under IRS Code Section 457(f) for the benefit of Leath (the "2017 457(f) Plan"), a governmental plan as defined in Section 3(32), 29 USC § 1002(32).

NOW, THEREFORE, for and in consideration of the mutual benefits and consideration received and to be received by the respective parties, Auburn hereby organizes and establishes the 2017 457(f) Plan by which the parties agree to be legally bound.

ARTICLE 1 -- INTRODUCTION

1.1 **Establishment of the Plan.** Auburn hereby establishes this 2017 457(f) Plan which is designed to provide Leath with deferred compensation benefits in recognition of his dedicated and valuable service to Auburn. The Plan is intended to be an "ineligible deferred compensation plan" as described in IRS Code Section 457(f).

The Plan is intended to be an unfunded and unsecured plan maintained by Auburn primarily for the purpose of providing deferred compensation for the President of Auburn. The Plan is further intended to be a plan described in section 457(f) of the Internal Revenue Code

maintained by Auburn for the purpose of providing deferred compensation for the President of Auburn. The Plan shall be administered and construed in a manner consistent with said intent and according to the laws of the State of Alabama.

1.2 **Effective Date.** The 2017 457(f) Plan shall be effective as of June 19, 2017.

ARTICLE 2 - DEFINITIONS

Unless the context plainly requires a different meaning, when capitalized, the words and phrases contained in this 2017 457(f) Plan shall have the meanings set forth in this Article 2. Other capitalized words and phrases and meanings appear in the Plan.

2.1 **Beneficiary** means the person, persons, or trust designated by the Participant, or automatically by operation of the Plan, to receive any benefits which may become payable under this Plan by reason of the Participant's death.

2.2 **Code** means the Internal Revenue Code of 1986, as amended from time to time. References to a Code section shall be deemed to refer to that section as it now exists and to any successor provision.

2.3 **Deferred Vested and Accrued Date** means July 15, 2022.

2.4 **Determination Date** means the last day of each month during the Plan Year or any other date as of which the value of the Participant's 457(f) Account is calculated.

2.5 **Disability** means the Participant's inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than twelve (12) months.

2.6 **Disability Date** means the date on which the Participant incurs a Disability.

2.7 **Employment Agreement** means the Employment Agreement by and between Auburn and Participant, as may be further amended from time to time.

2.8 **Entry Date** shall be June 19, 2017.

2.9 **457(f) Account** means the separate hypothetical bookkeeping account established and maintained for the Participant, representing the unfunded and unsecured general obligation of Auburn with respect to the Participant, to which are credited the amounts set forth in Exhibit A attached hereto and made a part hereof.

2.10 **457(f) Account Benefit** means a benefit, calculated as of the Participant's Deferred Vested and Accrued Date, equal to the balance of the Participant's 457(f) Account at the time he becomes entitled to receive his 457(f) Account Benefit as described in Article 4.

2.11 **Investment Return** means the amount determined under Section 5.1 with respect to amounts credited to the Participant's 457(f) Account.

2.12 **Participant** means Leath who, as of the Effective Date, is President of Auburn.

2.13 **Plan Year** means a fiscal year, the twelve (12) consecutive month period beginning in the first year on June 19, 2017, and ending the following July 15; thereafter from July 16 and ending July 15.

2.14 **Reasonable Cause** means any of the following with respect to the Participant's position of employment with Auburn:

(a) A commission of a felony that materially impairs the Participant's ability to discharge his duties under the Employment Agreement.

(b) A commission of a misdemeanor involving moral turpitude that materially impairs the Participant's ability to discharge his duties under the Employment Agreement.

(c) Fraud committed by the Participant.

(d) Embezzlement by the Participant.

(e) Theft by the Participant.

(f) The Participant engaging in conduct that displays a continual or serious disrespect or disregard for Auburn, or causes notorious and public scandal.

(g) The prolonged absence of the Participant from Auburn without its consent.

ARTICLE 3 - 457(f) ACCOUNT

3.1 **Establishment and Crediting of 457(f) Account.** Auburn shall establish an unfunded 457(f) Account on its books for the Participant as of the Participant's Entry Date and shall credit to the Participant's 457(f) Account the amounts stated in Exhibit A attached.

3.2 **Investment Return.** As of each Determination Date, the Investment Return determined under Article 5 on the Participant's 457(f) Account shall be credited to the Participant's 457(f) Account.

3.3 **Determination of Accounts.** The 457(f) Account as of each Determination Date shall consist of the balance of such 457(f) Account as of the immediately preceding Determination Date, adjusted to reflect allocations to such 457(f) Account pursuant to this Article 3 since the immediately preceding Determination Date, less the amount of any losses since the immediately preceding Determination Date.

3.4 **Statement of Accounts.** As soon as practicable after the close of each Plan Year (fiscal year), Auburn shall provide the Participant with a statement setting forth the balance in his 457(f) Account as of the Determination Date for the Plan Year just ended.

3.5 **Participant's Interest.** Until and except to the extent that the balance of a 457(f) Account hereunder is paid to the Participant or his beneficiary as a 457(f) Account Benefit in accordance with this 2017 457(f) Plan, the interest of the Participant or his beneficiary therein only is contingent and subject to forfeiture as provided in Article 4. Any assets, whether cash or investments, which Auburn may set aside to meet its contingent deferred obligation hereunder shall at all times remain the property of Auburn, and neither the Participant nor his beneficiary shall under any circumstances acquire any property interest in any specific assets of Auburn. To the extent that any person acquires a right to receive payments from Auburn hereunder, such right shall be no greater than the right of any unsecured general creditor of Auburn.

ARTICLE 4 - PAYMENT OF BENEFITS

4.1 **General Rule Regarding Entitlement to 457(f) Account Benefit.** Except as provided in Sections 4.2 and 4.4, the Participant shall be entitled to his 457(f) Account Benefit upon his Deferred Vested and Accrued Date in accordance with this Article 4.

4.2 **Entitlement to 457(f) Account Benefit in the event of Termination of Employment or Disability prior to Deferred Vested and Accrued Date.**

(a) If the Participant voluntarily quits or terminates his employment with Auburn for any reason whatsoever prior to the Participant's Deferred Vested and Accrued Date, the Participant shall fully and immediately upon such termination forfeit to Auburn any and all right he has to his 457(f) Account Benefit under this Plan.

(b) If the Participant's employment is terminated by Auburn for Reasonable Cause, the Participant shall fully and immediately upon such termination forfeit to Auburn any and all right he has to his 457(f) Account Benefit under this Plan, subject to Auburn's notice to cure set forth in Section 4.3.

(c) If the Participant's employment with Auburn is terminated by Auburn for reasons other than Reasonable Cause, the Participant shall be entitled to his 457(f) Account Benefit upon his Deferred Vested and Accrued Date calculated in the same amount and manner as if he completed the full five-year term under the Employment Agreement. Such benefit shall be payable in accordance with Section 4.4.

(d) If the Participant incurs a Disability, the Participant shall be entitled to receive his 457(f) Account Benefit in accordance with Section 4.4.

4.3 **Auburn's Notice to Cure.** No forfeiture of the Participant's 457(f) Account Benefit under Section 4.2(b) of the Plan shall occur until Auburn provides written notice to the Participant of the intent of Auburn to exercise the forfeiture provisions of Section 4.2(b), specifying reasonable detail the reason for forfeiture, at least 30 days prior to the date on which such forfeiture is to occur and providing the Participant with an opportunity to respond and void any such forfeiture.

4.4 **Time and Method of Payment of Account Benefits.** A Participant's 457(f) Account Benefit shall be payable when the Participant first becomes entitled to his 457(f) Account Benefit pursuant to Section 4.1, 4.2(c) or 4.2(d). Auburn shall distribute the Participant's 457(f) Account Benefit (less taxes withheld in accordance with Section 8.5) in a lump sum within thirty (30) days after such entitlement begins, the value of which shall be determined as of the last day of the month preceding the payment date.

4.5 **Survivorship Benefits.** Upon the death of the Participant, Auburn shall pay the Participant's 457(f) Account Benefit in accordance with this Section 4.5.

(a) *Death Prior to Payment of Benefit.* If the Participant dies before Auburn pays the 457(f) Account Benefit in accordance with Section 4.4, Auburn shall pay the Participant's 457(f) Account Benefit, the value of which shall be determined as of the last day of the month preceding the payment date, to the Participant's beneficiary in a lump sum (less taxes withheld in accordance with Section 8.5) within thirty (30) days after the Participant's death.

(b) *Death of Beneficiary.* If the Beneficiary dies before Auburn pays the payment due to such Beneficiary hereunder, such amount shall be paid to the legal representative of the Beneficiary's estate.

(c) *Beneficiary Designations.* The Participant shall designate a Beneficiary by filing a written notice of such designation with Auburn. The Participant may revoke or modify the designation at any time by a further written designation. However, no such designation, revocation or modification shall be effective unless signed by the Participant and accepted by Auburn during the Participant's lifetime. The Participant's Beneficiary designation shall automatically be deemed revoked in the event of

(1) the death of the Beneficiary prior to the Participant's death, or

(2) divorce of the Participant if the Beneficiary is the Participant's spouse.

If the Participant dies without a valid Beneficiary designation, all payments shall be made to the Participant's surviving spouse, if any, and if none, to the Participant's estate.

(d) *Facility of Payment.* If the benefit is payment to a minor or person declared incompetent or to a person incapable of handling the disposition of his property, Auburn may pay such benefit to the guardian, legal representative or person having the care or custody of such minor, incompetent or incapable person. Auburn may require proof in incompetence, minority or guardianship as it may deem appropriate prior to distribution of the benefit. Such distribution shall completely discharge Auburn from all liability with respect to such benefit.

ARTICLE 5 - INVESTMENT RETURN

5.1 **Determination.** The Investment Return for each Plan Year shall be the hypothetical amount by which the Participant's 457(f) Account increases or decreases during the Plan Year based on the investment option(s) selected by the Participant under Section 5.2. The Plan shall at all times be considered entirely unfunded both for tax and legal purposes, and no provision shall at any time be made with respect to separating assets of Auburn for the payment of the value of the amount under the Plan. Any funds invested by Auburn under the Plan shall continue for all purposes to be part of the general assets of Auburn and available to general creditors of Auburn.

5.2 **Investment Options.** Auburn has selected TIAA-CREF to provide the available investment options. Auburn may in its sole discretion change the investment options available under the 2017 457(f) Plan from time to time with respect to future periods and shall have no obligation to retain any investment option with respect to amounts allocated to any 457(f) Account before such a change occurs. Initial Participant elections of investment option(s) shall be made prior to June 19, 2017. The Participant may select one or more of the available investment options with respect to all or part of the balance of his 457(f) Account. The Participant's allocation in investment options shall remain in effect until such time as the Participant changes his allocation. Neither Auburn nor any agent, employee or advisor of Auburn will be liable for any decrease in the Participant's 457(f) Account as a result of the performance or lack thereof of any investment option.

5.3 **Election Changes.** The Participant may change his hypothetical investment allocation at any time during the Plan Year provided that the Participant may only change his investment allocation once per Plan Year. The Participant's request to change his investment allocation shall be made by filing a written notification of such change with TIAA-CREF.

ARTICLE 6 - ADMINISTRATION OF THE 2017 457(f) PLAN

6.1 **Administration.** Auburn shall administer the 2017 457(f) Plan.

6.2 **Powers of Auburn.** Auburn shall have all powers necessary to administer the 2017 457(f) Plan, including without limitation the discretion:

(a) to interpret the provision of the 2017 457(f) Plan;

(b) to establish and revise the method of accounting for the 2017 457(f) Plan and to maintain the account of the 2017 457(f) Plan;

(c) to establish and enforce rules for the administration of the 2017 457(f) Plan and to prescribe any forms required to administer the 2017 457(f) Plan;

(d) to delegate specific duties and responsibilities to officers or other employees of Auburn or other individuals or entities, and as part of any such delegation to allow further delegations by the individual or entity to whom the delegation initially is made.

6.3 **Records and Reports.** Auburn and those to whom Auburn has delegated duties under the 2017 457(f) Plan shall keep records of all their proceedings and actions and shall maintain books of account, records and other data as shall be necessary for the proper administration of the 2017 457(f) Plan and for compliance with applicable law.

6.4 **Construction and Interpretation.** Auburn has discretionary authority to operate this 2017 457(f) Plan, and all determinations, interpretations, rules and decisions of Auburn and any person to whom Auburn delegates duties or responsibilities pursuant to the 2017 457(f) Plan shall be conclusive and binding upon all persons having or claiming to have any interest or right under the 2017 457(f) Plan.

6.5 **Costs.** Auburn shall bear the costs of the 2017 457(f) Plan.

6.6 **Claims Procedure.** It is the intent of Auburn that benefits payable under the 2017 457(f) Plan shall be payable without the Participant having to complete or submit any claim forms. If, however, a dispute arises between a Participant or Beneficiary over the amount payable under the 2017 457(f) Plan, the Participant or Beneficiary may file a claim for benefits by notifying Auburn in writing of the claim. Auburn will review and adjudicate the claim and communicate its decision to the Participant or Beneficiary in writing. The decision of Auburn shall be binding on the Participant or Beneficiary.

ARTICLE 7 - AMENDMENT

7.1 **Amendment.** Auburn may amend the 2017 457(f) Plan in full or in part, in writing.

ARTICLE 8 - MISCELLANEOUS

8.1 **No Guarantee of Employment.** Although Auburn and the Participant have previously executed an Employment Agreement effective on or about June 19, 2017, the establishment and maintenance of the 2017 457(f) Plan shall not be deemed to be a contract of employment between Auburn and the Participant. Nothing contained herein shall give Auburn the right to require the Participant to remain in its employ or to interfere with the Participant's right to terminate employment at any time.

8.2 **Nonalienation.** Except as provided in Section 8.3, no 457(f) Account Benefit shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, levy or charge of any kind. Any attempt to so anticipate, alienate, sell, transfer, assign, pledge, encumber, levy or charge the same shall be void. Except as provided in Section 8.3, no 457(f) Account Benefit shall be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled to such benefit. Prior to the actual payment of the Participant's 457(f) Account Benefit, no portion of a 457(f) Account Benefit shall be transferable pursuant to a domestic relations order of any kind.

8.3 **Offset for Obligations to Employer.** At the time when the Participant becomes entitled to payment of his 457(f) Account Benefit, if the Participant has any debt, obligation, or

other liability representing an amount owing to Auburn and if such debt, obligation or other liability is due and owing at the time benefit payments are payable hereunder, Auburn may offset the amount owing it against the amount of benefits otherwise distributed hereunder.

8.4 **Participant Rights.** In consideration of the Participant's continuing his employment with Auburn following his receipt of notice of eligibility to participate in this 2017 457(f) Plan, Auburn intends to provide the Participant with legally enforceable rights to his benefits in accordance with the terms of this 2017 457(f) Plan, subject to Auburn's right to amend this Plan.

8.5 **Withholding.** There shall be deducted from all amounts from wages paid or this 457(f) Account Benefit any taxes required to be withheld for any federal, state or local government. The Participant or beneficiary receiving a 457(f) Account Benefit will bear any and all federal, state, local or other taxes imposed on amounts paid under this 2017 457(f) Plan as to which no amounts are withheld, irrespective of whether withholding is required.

8.6 **Exhaustion of Administrative Remedies.** The exhaustion of claims under Section 6.6 is mandatory for resolving every claim and dispute arising under this Plan. No legal action to recover 457(f) Account Benefit or to enforce or clarify rights under the Plan under any provision of law, whether or not statutory, may be brought by any claimant on any matter pertaining to this Plan unless the legal action is commenced in the proper form before six (6) months after the claimant has exhausted the claims procedure.

8.7 **Gender and Number.** Unless the context plainly requires otherwise, words in the masculine gender shall include the female and neuter genders, the singular shall include the plural, and the plural shall include the singular.

8.8 **Headings.** The headings of the sections of this 2017 457(f) Plan are for the convenience of reference only and shall have no substantive effect on the provisions of the 2017 457(f) Plan.

8.9 **Applicable Law.** To the extent not preempted by federal law, the laws of the State of Alabama shall govern, control and determine any questions arising with respect to this 2017 457(f) Plan and the validity, interpretation and performance of its provisions.

SIGNED AND EXECUTED as indicated below, but effective as provided herein.

AUBURN UNIVERSITY

By: Donald L. Large Jr.

Title: Executive VP

Date:________________________________, 2017

STEVEN LEATH

Date: June 8, 2017, 2017

EXHIBIT A

Bookkeeping 457 Account

Unfunded and Unsecured General Obligation of Auburn

The deferred compensation amounts and the dates on which such amounts will be credited to the Participant's 457(f) Account are as follows:

1. On 6/19/2017: One lump sum credit amount of $750,000.

2. For Plan Year 7/16/17 to 7/15/18: One lump sum credit amount of $250,000 on July 15, 2018.

3. For Plan Year 7/16/18 to 7/15/19: One lump sum credit amount of $250,000 on July 15, 2019.